

RURAL BUSINESS ENTERPRISE GRANT (RBEG)

Quick Reference Fact Sheet

This is a grant only program of Rural Development used to support the development of small emerging private business enterprises in rural areas.

Eligibility

These grants can be made to public bodies and private nonprofit corporations that serve rural areas. When funds are limited, applications will be scored and ranked for funding based on Rural Development established priorities related to population, economic conditions, experience, commitment of business or industry to the locations, substantial commitment of non-federal funds to the project, and existence of certain unusual conditions.

Small and emerging private businesses would generally be ones that will employ 50 or less new employees and have less than \$1,000,000 in projected gross revenues.

Population Limit

Rural areas include all territory of the state that is not within the outer boundary of any city having a population of 50,000 or more and its immediately adjacent urbanized and urbanizing areas with a population density of more than one hundred persons per square mile.

Eligible Purpose

These grant funds may be used to finance and develop small and emerging private business enterprises in rural areas including

but not limited to the following:

1. Acquisition and development of land, easements, and rights-of-way.
2. Construction, conversion, enlargement, repairs or modernization of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities, pollution control and abatement facilities.
3. Loans for start-up operating cost and working capital.
4. Technical assistance for proposed grantee projects.
5. Reasonable fees and charges for professional services necessary for the planning and development for the project including packaging.

Services must be provided by individuals licensed in accordance with appropriate state accreditation associations.

6. Refinance of debts exclusive of interest incurred by or on behalf of an association before an application for a grant when all of the following exist:
 - A. The debts were incurred for the facility or part thereof or service to be installed or improved with the grant.
 - B. Arrangements cannot be made with the creditors to extend or modify the terms of the existing debt.
7. Providing financial assistance to third parties through a loan.

On the web at www.rurdev.usda.gov/fl

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If the grant funds are to be used to provide financial assistance to third parties either through revolving loans or lease of facilities by grantee; at least 51 percent of the outstanding interest in the project must have membership or be owned by those who are either citizens of the United States or reside in the United States after having been legally admitted for permanent residence.

8. Training when necessary, in connection with technical assistance.
9. Production of television programs to provide information on issues of importance to farmers and rural residents.

Ineligible Purpose

1. To produce agriculture products through growing, cultivation, and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries, timber operations, or limited agricultural production related to technical assistance projects.
2. To finance comprehensive type planning.

This does not preclude the use of grant funds for planning for a given project.

3. For loans by grantees when the rates, term and charges for these loans are not reasonable or would be for purposes not eligible as described above.

4. For programs operated by cable television systems.
5. To fund a part of a project dependent on other funding unless there is a firm commitment of the other funding to ensure completion of the project.

Pre-Application

Interested parties are encouraged to contact their local Area Office for guidance prior to the submission of a Pre-application. The Area Office staff will be glad to discuss services available through Rural Development and explain how to prepare a written application.

CONTACTS

Florida/USVI Area Offices

Crestview	850-682-2416
Marianna	850-526-2610
Lake City	386-719-5590
Ocala	352-732-7534
Davenport	863-420-4833
West Palm Beach	561-683-2285

Florida/USVI Sub Offices

N Fort Myers	239-997-7331
St. Croix, USVI	340-773-9146

Florida/USVI State Office

Gainesville	352-338-3400
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